

WASHING FINISHING



As industry reinvests, engineers get busy



A decade has passed since Ed and Nicky Kwasnick decided he should leave the workforce and build a company of his own. Not a one-person consultancy, although it might start out that way. Instead, one that would grow quickly and require other professionals to join him in short order and rapid succession, they hoped.

It took a while to reach that fast-growth track. But it worked. Today, Turn-Key Industrial Engineering, Inc., Charlottesville, Va., has 10 employees. Kwasnick has a partner, Chip Malboeuf, and they've been joined by others who previously worked for rental laundry companies. Their greatest source of talent in this respect has been their former employer, Omni Services, the Culpeper, Va. chain sold to

Cintas Corp. (Cincinnati) in 2002.

Turn-Key has expanded by capitalizing on the industry's increasing willingness to reinvest in the business, Kwasnick says. "Everyone from the major chains to the smallest independent is adopting and adapting technology and automation to improve their operations," he observes. Owners who are committed to remaining in the industry recognize the need to increase efficiencies and reduce operational costs by leveraging automated washfloor technology and high-tech finishing and material handling solutions, for example.

It's clear that much of the engineering action in the industry is taking place in larger chains, with their lion's share of the market and emphasis on

growth. At the same time, though, many independents are digging in for the long haul. Fewer are building businesses with the intent to sell them. "Now, much of the industry at every level is embracing technology to improve plant operations."

Kwasnick knew there were such opportunities in Omni's operations when he started Turn-Key. He'd been working for a general contractor in Tampa, Fla. who had laundry customers after leaving the chain's Lakeland, Fla. facility, where he was plant manager. His original spot with Omni on the engineering staff, which he left to go to Lakeland, hadn't been filled. So he asked if he could get some of that work on a consulting basis.

Omni VP Larry Patton (who would later become UTSA's plant operations director) said he would do so. But he wanted Kwasnick to start a company; he wouldn't make him a contract hire. So, using a copy of *Business Plans for Dummies* (Wiley Publishing, 1997), Kwasnick in the week after he left his job, he set his goals. Within another week, Turn-Key was incorporated.

The original plan remains relevant, as he consults it each year, intrigued by how it "has centered us as a company. Probably 75 percent of it has reached fruition."

He was optimistic back then, perhaps unjustifiably. "I thought, 'I have burned the ship, I have quit my job.'" With just \$10,000 in personal savings as seed money, to secure a personal income in the long term, he knew he had to start selling.

"I'd never cold-called anyone in my life, But I had nothing to pay the bills. Suddenly, cold-calling didn't sound so bad." He'd heard about Jon Sights of SITEX Corp., Henderson, Ky., an influential independent.



SITEX Corp. was Turn-Key's first sold account, when industrial engineer Ed Kwasnick "worked up the gumption to do it."

"Scared to death" to call him, Kwasnick "worked up the gumption to do it" and soon had Turn-Key's "first real customer."

In the early years, he got busy enough to believe the business could expand dramatically. He started pursuing Malboeuf in 2000, who resisted, citing the likely short-term sacrifice in income that would result. Malboeuf, an electrical engineer, also wasn't sold on Turn-Key's long-term viability.

"I kept working him over pretty hard and then he started to see the potential that Omni was going to be sold, which didn't hurt." Malboeuf came on board in 2002 before that sale, sacrificing any additional financial benefit he might have received from remaining until the end. He rationalized that the sooner he could devote his efforts to Turn-Key, the faster the company would grow, which would offset that personal loss.

Nicky had already turned her complete attention as a professional to the business. In Turn-Key's first three years, she'd been a human resources manager for a major chemical company. For some of that time, "her income was supporting a lot of our day-to-day living expenses," Ed says. She'd

spend a full day at work and then provide administrative support for him at night. Soon he became so busy that she could work part-time for him and they were able to pay their bills.

When Malboeuf joined them, that workload promised to increase. He and Kwasnick planned to both sell and deliver projects individually. "We were both engineers with experience and connections in the industry. Chip was willing to come on board not just as an engineer, but to be one of two little business units." This made good sense because Malboeuf was better connected to industry operators thanks to his involvement with UTSA at Omni.

They tried this scheme for six months. It turned out that Kwasnick, having built the business, had the experience and contacts needed to justify spending the majority of his time on business development. This remains their practice today. He figures he's 80 percent devoted to sales and marketing: "telling the story" and envisioning jobs for clients. The other 20 percent is "operations, engineering, working with clients, focusing on kicking off projects."

For Malboeuf, it's the other way around.

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“Once we’re working for a client, Chip does a great job of portraying the value of all the services we offer. He expands established relationships.” Once they set this dichotomy, Turn-Key’s growth accelerated.

This resulted in the addition of Dennis Parrish, another former Omni engineer, in 2003. He’d joined that company after Kwasnick left, but he’d been one of Malboeuf’s associates. Today, Parrish serves as Turn-Key’s engineering director.

As 2004 began, the three engineers were working from their homes: Kwasnick in Florida, Parrish and Malboeuf in Virginia. “It was a loose confederacy, not a real tight group,” Kwasnick says. With each working essentially alone, the company could undertake small and medium size projects, but their lack of collaboration kept the company from pursuing larger jobs. So they decided to establish headquarters in Charlottesville, Va. and leased some office space with room to grow.

However, they didn’t have much furniture at first, and they needed to hire quickly. So when it was time to add another engineer that year, for the job interviews, they used a card table and two chairs from Malboeuf’s house. They hired Brian Mackey, who’d just graduated from Virginia Tech, Kwasnick’s and Parrish’s alma mater. Mackey was their first non-Omni engineering hire.

“Here’s a guy who comes from a class

of individuals being wooed by major corporations that have giant conference rooms and marble floors. And we tell him, ‘Go ahead and sit at this card table.’ Yet he’s still gung-ho about joining the company and he’s been on board ever since.”

He joined Turn-Key in June, halfway through a year in which the operation’s sales would double. “We were starting to get some traction and momentum,” Kwasnick recalls. “By working together, we’d talk more about jobs, feed off each other, and start to go after bigger projects.” Mackey was a catalyst. In 2005, revenues would increase 50 percent. Today, the company is about five times its 2003 size.

Compared with earlier years, addition of staff since 2005 has been accelerated. Another Omni veteran, Jack Rogers, came on board that year. He was a plant manager in the industry for 25 years, also working for Cintas and Aramark Uniform Services (headquartered in Burbank, Calif.).

Rogers is Turn-Key’s production specialist. “His job is to go into a broken plant and fix it,” Kwasnick explains. Rarely does his involvement result in the purchase of new equipment or some type of time-and-motion study. He’s not an engineer.

Instead, he’ll analyze how well you’re managing: whether you’re placing the right people in the right jobs, setting the proper expectations, scheduling your washroom properly, etc. “It’s Plant Man-

Rental textile services represent a solid foundation for Turn-Key, but big institutional laundries such as Comtex (Columbus, Ohio) are a significant market as well.

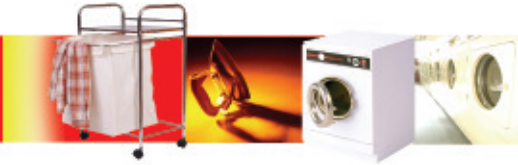
agement 101,” Kwasnick says. Sometimes you have all the tools you need to operate efficiently but you can’t do it because you don’t have the right skill set in place.

“In other cases, you can’t fix stuff through engineering unless the blocking and tackling are correct first. Until you know what to do with helmets and shoulder pads, there’s no sense building a stadium.”

Pam Malboeuf, Chip’s wife, also joined the staff in 2005. Today, she and Nicky job-share, handling accounting, travel, purchasing, and other administrative duties. Mike Hall, another Virginia Tech grad, was added to the engineering ranks in 2006. He came from Jeld-Wen Windows and Doors, the Klamath Falls, Ore.-based manufacturer, for which he was a production group leader, improving workflow and throughput.

In 2007, Jim Buchbinder, formerly of Arrow Uniform Rental, Taylor, Mich., was added as business development VP. He’s probably the nation’s foremost authority on rental laundry stockrooms, particularly on the industrial side, as he led the development of the highly automated

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facility at Arrow's headquarters plant. It's recognized as the largest industrial-only processing location in the world.

During his 23 years with Arrow, Buchbinder worked on laundry operations, distribution, engineering, and product development. A frequent speaker at UTSA Plant Ops conferences, he's taught at the UTSA/TRSA Production Management Institute. In 2005, he was inducted into the UTSA Plant Ops Hall of Fame.

His decision to join Turn-Key gave the company another hand with years of hands-on operation and design experience. But it also provided the firm with someone else like Kwasnick who had shifted from the hard side of the business to a marketing job. Buchbinder departed Arrow as the company's distribution and product development VP.

Compared with what Kwasnick had to do in 1998, Buchbinder has a considerable head start in helping Turn-Key grow.

"The first five years, it didn't happen as quickly as I wanted it to. But in the last five years, we grew faster than I thought we would," Kwasnick says. At the beginning, he was trying to break into "a very tight-knit industry" without being well-known outside Omni. It took some time to develop a network.

But at some point, he and Malboeuf reached a critical mass in which their network started delivering leads back to them. "People need to know you to trust you, and when they trust you, they bring you opportunities." Word-of-mouth will always be a key driver for Turn-Key, but "Jim is taking a much more methodical approach to sales and marketing than I did."

Case-in-point: Buchbinder's creation of a much enhanced Web site (turnkeyengineering.com). In addition to promoting Turn-Key's palette of services, it includes pages with industry information related to the firm's work. Its goal: build a commu-



Members of the Turn-Key team pose at last summer's Clean Show. Kneeling, l-r, Chip Malboeuf, Brian Mackey, Jim Buchbinder, Mike Hall. Standing, Ed Kwasnick, Jack Rogers, Pam Malboeuf, Dennis Parrish.

nity of customers and prospects around Turn-Key by encouraging them to steadily visit the site.

For instance, there's a poll with a new question every month on an operational practice. This started with: "Do you dry your mats?" A blog enables participants to comment on the question.

This should appeal to both rental and institutional launderers. Historically, the firm has derived more business from the first type, particularly independents. But they're doing more work with larger chains.

Sometimes these companies need "bench strength," Kwasnick says. Their engineering staffs may have been reduced but they still have large capital budgets and many projects to undertake. In the past couple of years, Turn-Key has added full process mechanical design capability.

"Not only will we design a plant, but we

can lay out the entire building, including piping systems and other infrastructure to support that equipment," he explains. Plus, the firm will build the project, often through its partnership with Arco/Murray Construction (see next month's IL). Furthermore, because of Rogers' services, when the plant or new systems are up and running, Turn-Key can help optimize performance by helping to institute proper management practices.

"This allows us to really live up to our name," he explains. They used to say they would handle a project from "cradle to grave." Now they're involved in the "after-life" as well! It's an example of how they emphasize opportunities to expand their services within their area of expertise, but beyond the core business: designing world-class laundries, entrepreneur-style. **IL**